



CITY OF SAN ANTONIO

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June 23, 2006

City Auditor
San Antonio, Texas

RE: Management's Corrective Action Plan for the Audit of Environmental Services Department – Solid Waste Division – Timekeeping Processes

City Management and Environmental Services Department (ESD) have reviewed the audit report for the ESD Solid Waste Division – Timekeeping Processes and herein is a Corrective Action Plan for the recommendations. Having an objective review of this operation unit has resulted in better information for Management to develop operating strategies for the future that will improve service delivery to citizens (effectiveness) and operational efficiencies.

Recommendation					
#	Description	Audit Report Page	Accept, Partially Accept, Decline	Responsible Person's Name/Title	Completion Date
Detail Report					
1	Resources dedicated to the safety program are insufficient				
	ESD Management should strengthen its safety program by reallocating staff and financial resources	7	Accept	Daniel V. Cárdenas, Director	August 1, 2007
	Action plan: Concur ESD agrees that additional staff and resources are needed for its safety program. ESD will evaluate vacant positions in FY 2007 for potential "in-lieu" opportunities in order to reallocate resources to the safety program. Additional staff will allow for the refinement and the expansion of the existing program. Additionally, ESD believes the best method for reducing the number of accidents and the related cost is by implementing the automated garbage collection program. By switching to automated garbage collection, the number of garbage collection personnel exposed to hazards is reduced from a three person crew to a one person crew. The automated driver never has to touch the garbage thus eliminating cuts, bruises, punctures, chemical burns and sprains associated with gathering and lifting a variety of garbage containers. ESD currently is implementing the first and second phase of the automated garbage collection program and will have 30 routes converted in FY 2007. ESD and OMB are currently developing an accelerated conversion schedule for the automated garbage collection program to be reviewed by the COSA Management Team and City Manager during the FY 2007 budget process.				

2	Management and internal controls need strengthening				
	• Develop and/or update formal written procedures for timekeeping processes	8	Accept	Margaret Ramirez, Adm. Services Mgr.	Oct. 1, 2007 (coord. w/Time Stabl. Project)
	• Segregate the timekeeping functions so that someone independent reviews and approves time entry data	8	Accept	Margaret Ramirez, Adm. Services Mgr.	Oct. 1, 2007 (coord. w/Time Stabl. Project)
	• Ensure that supervisory review and approval of overtime is performed	8	Accept	Rose Ryan, SW Mgr & David Newman, EM Mgr	July 1, 2006
	• Review timekeeping access and ensure only appropriate personnel are assigned this role	8	Accept	Margaret Ramirez, Adm. Services Mgr.	July 1, 2006
	Action plan: Concur ESD agrees controls need to be strengthened. ESD will be working with the team for the Time Stabilization Project (see #5 below). Within ESD, each Division Manager will work with supervisory staff to ensure that overtime is properly approved and recorded. Additionally, ESD will review timekeeping access and will ensure that only authorized personnel have access to this function.				

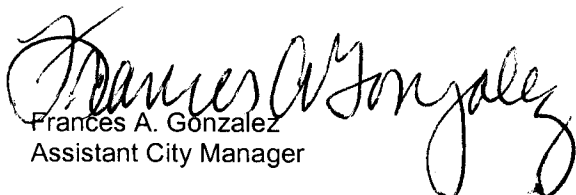
3	Task System Impact Issues				
	• Perform a rate study to determine the critical financial and management issues	10	Accept	Daniel V. Cárdenas, Director	FY 2007
	• Perform a cost-benefit analysis of the Task System	10	Accept	Daniel V. Cárdenas, Director	FY 2007
	• Re-evaluate the practice of paying employees for overtime if an employee has not worked over 40 actual hours.	10	Accept	Daniel V. Cárdenas, Director	FY 2007
	• Re-evaluate the practice of paying employees for time not worked and provide other types of incentive pay	10	Accept	Daniel V. Cárdenas, Director	FY 2007
	Action plan: Partially Concur At the direction of the City Manager, ESD is developing an alternative to the Task System to be evaluated for implementation within FY 2007. At this time it is not prudent to evaluate the Task System, as it may no longer remain in practice. The alternative system will address the impact issues outlined in the audit.				


4	City's administrative directive requirements are not being followed				
	• Comply with City Ordinance procedures for higher classification pay	11	Accept	Margaret Ramirez, Adm. Services Mgr.	Oct. 1, 2006
	• Comply with City Ordinance procedures for punching in/out of work and approving time cards	11	Accept	Rose Ryan, SW Mgr & David Newman, EM Mgr	Aug. 1, 2006
	Action plan: Concur ESD will coordinate with the Human Resource Department to utilize assignment pay instead of high class pay. Additionally, the ESD Division Managers will meet with supervisory personnel to provide training and clarification of policies and procedures to ensure ESD employees are complying with the appropriate procedures for punching in/out of work and approving time cards.				

5 Timekeeping processes need streamlining					
	• Eliminate or reduce any duplicate timekeeping process	12	Accept	Margaret Ramirez, Adm. Services Mgr.	FY 2007
	• Evaluate the possibility of using an automated timekeeping system	12	Accept	Margaret Ramirez, Adm. Services Mgr.	FY 2007
<p>Action plan: Concur ESD agrees the timekeeping processes need streamlining.</p> <p>The ERM Project Leader was contacted to inquire as to the progress concerning the implementation of an automated timekeeping system. An email response was received from Lena Ellis, Assistant Finance Director on June 7, 2006 which stated the following:</p> <p>“Finance and members of ITSD SAP Support are engaged in a Time Stabilization Project. The intent of this project is to stabilize, streamline, and standardize citywide timekeeping practices consistent with SAP functionality. This includes the standardization of 1) citywide timekeeping policies and procedures (together with consistent application of same), 2) time tracking (i.e. time clocks, time sheets, other source documentation), and 3) other components for an effective and efficient time management operation (i.e. employee self-service, time self-entry, job descriptions/duties).</p> <p>As you have alluded, ITSD is heading up a RFP effort to select an automated timekeeping system (i.e. smart time clock system) for citywide use. The Time Stabilization Team is recommending that all departments use such a system or the equivalent for proper interface to SAP (i.e. “SAP certified”).</p> <p>Additionally, the SAP Health Check report recommends a reassessment of all SAP processes. As a result, the Time Stabilization Team is currently reassessing and documenting the SAP time management process. Thereafter, citywide departments will be required to comply with a Payroll Administrative Directive and associated operating procedures. The aforementioned reassessment and documentation effort is tentatively scheduled to be complete by the end of June 2006, while the overall Time Stabilization Project is tentatively scheduled for substantial completion by the end of the 2006 calendar year (depending upon available/dedicated resources).”</p> <p>Current constraints, time entry and cut-off date requirements of the SAP Payroll module requires the use of a duplicate timekeeping process in order to enter time into the system prior to submission of completed time cards. ESD will continue to reconcile time card entries and the manual time and attendance sheets that are maintained to facilitate SAP time entry. ESD will differ to the enterprise wide effort to address time keeping processes and an automated timekeeping system. This will ensure that ESD will be in compliance with any new COSA directives. ESD has requested that the Department be included in all future discussions concerning this project.</p>					

We appreciate the City Auditor's comments on the ESD Solid Waste Divisions' Timekeeping processes. We are committed to address the recommendations in the audit report and the plan of actions presented.

Sincerely,


Frances A. Gonzalez
Assistant City Manager


Daniel V. Cárdenas
Director